IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX REFERENCE NO.786 OF 1998

The Commissioner of Income-tax,
Bombay City - II, Bombay .. Applicant.
V/s.
M/s.Mafatlal Fine Spg. & Mfg.
Co.Ltd. .. Respondent.

Mr.A.S. Rao i/b. Mr.Pankaj Kapoor for the applicant.

CORAM : V.C. DAGA &
J.P. DEVADHAR, JJ.
DATED : 5TH APRIL, 2005.

P.C. :

1. Heard the learned counsel for the applicant. The Tribunal has referred the question for the opinion of this Court reading as under :-

> Whether in the facts and in the circumstances of the case, the Tribunal was right in law in holding that the premia paid an annuity policy purchased in favour of one of the Directors Shri P.S. Shah, is not a perquisite to be considered for the purpose of disallowance u/s.40A(5) / 40(c) of the Income-tax Act, 1961 ?

2. The above question has already been answered by the Division Bench of this Court in the case of **CIT V/s. Hico Products Pvt.Ltd. (No.1) [(1993) 201 I.T.R. 567 (Bom)]** in favour of the assessee and against the revenue. In this view of the matter, question stands answered in affirmative for the reasons stated in the case of Hico Products (P) Ltd. Reference, accordingly stands disposed of with no order as to costs.

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